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POLITICAL INFORMATION FROM HUNGARY -- 2 August 1949

Aside from the Rajk affair, Hungarian internal politics has been rather quiet. During July, the government was chiefly occupied with supervision of the harvest and the crop surrender program.

The campaign against Falak's continued, but with less success than last summer. The rural population, including local Communists, worked together to sabotage the crop surrender program because they felt that most of the grain would be turned over the Soviet Union anyway.

The Rajk trial is of special significance since it reveals dissension in the internal political life of Hungary, at a time when all opposition to the Communist Party has been removed.

There are many contradictory opinions concerning the Rajk affair in informed circles. According to some, the Rajk affair did not proceed as originally planned by Rakosi and his followers. They thought that Moscow would give them a free hand in liquidating Rajk, but the Cominform interfered and the trial did not proceed as smoothly as it would have if it were entirely a Hungarian affair. The Rakosi clique planned to ~~edit~~ keep the trial a completely domestic affair, and to lay a foundation which could be used later for more extensive investigations. Rajk was accused of nationalism and of collaboration with Tito. It would be easy to prove Rajk a nationalist, but the Tito charge would have to be trumped up. A second opinion is that it was because from the latter charge it might follow that Tito exercised an influence over the neighboring Communist parties, the Cominform ^{decided to} step in. According to one reasonable generally accepted opinion, Rajk had, and still has, supporters in Moscow, who came to his assistance. Consequently, the opposition to Rajk was entirely domestic, and originated with Rakosi and Zoltan Vas. Rajk's chief supporter in Moscow was Marshall

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Voroshilov, the Marshall has not been friendly with Rakosi, since an argument over the failure of the 1945 elections in Hungary, when each blamed the other and Voroshilov slapped Rakosi. Voroshilov was then recalled to Moscow at the request of Rakosi, and replaced by Major General Sviridov. Rakj sympathized with Voroshilov. Both Rakj and Voroshilov had the same political sentiments and both disagree with the political opinions of Rakosi. Rakj maintained that Rakosi returned to Hungary too much soon, since he had left bad memories with the Hungarian people when he left in 1919. One of the worst was Rakosi's anti-semitism. Rakj felt that the role of Jewish Communists should be lessened as a whole. Rakj also felt that the party leadership in Hungary was unpopular because it did not understand the Hungarian people. The Rakosi clique did not like this criticism and when Rakj's opinion was voiced in Moscow by Voroshilov they had to bring action *be brought* against Rakj.

Another opinion is that the outcome of the Rakj affair has not yet been settled. Rakj's followers hope that he will emerge victorious because of his friends in Moscow. This is impossible since Rakj could only be vindicated ~~XXXXXXXXXXXXXXXXXXXX~~ and reinstated at the expense of the Rakosi clique. This could not be permitted as it would bring insecurity in all of the Soviet dominated countries.

According to the latest information Soviet Ambassador to Hungary, Puskin, ^{more} played an important role in the Rakj affair than was at first reported. Although ⁱⁿ Puskin's opinion of Rakj was not entirely above suspicion, ^c he did not always agree with the politics of Rakosi, either. Puskin sided with Rakosi ^{own adverse} in the Rakj affair because it agreed with some of his ^{own adverse} opinions on Hungarian political matters which had not been too favorably received in Moscow.

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As to the conspiracy against Moscow one opinion is that Rajk never made any overtures towards Tito and that the Tito aspects of the case should be discounted. It is strongly rumored that Rajk had strong connections with Poland and that Rajk planned extension of Titoism across Hungary into Poland. However, this is strictly a rumor. The reasons for the trial then, were purely domestic. The Tito question was only introduced to illustrate that people with nationalistic tendencies might follow the example of Yugoslavia and break with Moscow.

The fact that the Rajk affair has not been settled is evidenced by reactions within the party. At first everyone heaped all possible accusations against Rajk but later the accusations of the Communist functionaries became more cautious and mistakes made by Rakosi could also be occasionally heard. There is also speculation as to the disappearance of Jozsef Revai who was connected with the affair at the very beginning. Although Rajk was arrested about 2 months ago no details on the case against him have yet been publicized. Unofficial information accused Rajk of being an American spy, of working with Tito, of favoring his Arrow Cross comrades, of having made an agreement to work in the Communist Party for the rightists. This promise was supposedly made during Arrow Cross rule, in 1945, to save himself from hanging. Rajk was also accused of being free with his money as a result of large income from his spying activity. This propaganda, however, finds few takers because Rajk was extremely popular in the party.

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14 September - 14 October 1949

The only important political events during the period 14 September to 14 October were the Rajk trial and the events which followed as a result of the trial. The only other event which has a political tone in the beginning of the Five-Year Plan Loan campaign which was timed to take the attention of the masses away from the Rajk affair. Of domestic political significance is the new offensive which is being launched against the Roman Catholic Church. Discussions between the church and the state are continuing. There is evidence of unrest within the bourgeois political circles.

There was a certain amount of regrouping in the top echelons of the Communist Party as a result of the Rajk trial. From an internal point of view, Rajk was one of the top communist leaders in Hungary. He ranked after Rakosi, Gero, and Revai, and ahead of Zoltan Vas, Mihaly Farkas, Janos Kadar, Kossa and others. Rajk's only weakness was that he was not a Muscovite. He never went to Moscow and his only line to Moscow was through the less important Soviet personalities who came to Hungary.

With the liquidation of Rajk, non-Muscovites have been eliminated from the leadership but personal differences and cliques have not. The men who now have the greatest authority within the government and the best connections in Moscow are: Rakosi, Gero, Revai, Vas, and Farkas. All the ^{other} more important ~~the~~ more important functionaries listen to and follow one or the other of the above named leaders.

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Now Revai is the most likely to prevent cooperation among the five leaders. At one time the alignment was Revai and Rajk against Rakosi, Gero, and Vas. Later Rakosi brought in Farkas to give him added strength. At this point the alignment was four against two, with Rajk and Revai each having their individual personal aims.

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Revai has changed his tactic of direct opposition to Rakosi and only hopes to take advantage of a war condition which might arise. In the meantime he is trying to play his four rivals one against the other. Revai's main object is to break up the heretofore close solidarity between Rakosi and Gero

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by inciting Gero against Vas. Vas ^{is} was a closer friend of Rakosi than was Gero. Revai was able to do this because the ambitions of Gero and Vas both lay in the economic field.

Gero is a valuable man but not nearly as clever as Vas. Gero, however, is diligent, methodical, consistent, and self-restrained. One of Gero's most important assets is his self-control. This has saved him from making big mistakes in political leadership and has given him the role of arbitrator and judge among his associates as well as with the Moscow bosses. Every conflict between the party leaders has improved and consolidated Gero's position. Gero is the man whom no clique would like to see in the camp of the opposition. In his private life he is a puritan. He is relentless in his judgement when it comes to public corruption and if political necessity prevents him from wiping out every sign of corruption, he voices his opinion unsparingly as an individual.

Vas, is much more energetic, better grounded in theoretical knowledge, and more ostentatious than Gero. He did a good job in dealing with the capitalists and economically powerful classes after the war. Vas, however, has much of the capitalist and bourgeois in him. He is an easy-going man who likes to live very well. Vas and Balogh were probably the most corrupt in Hungarian political life during the past five years. At one time Gero actually lost his self control and brought Vas to task in harsh words for this conduct. To keep the peace, Rakosi sent Vas away as a representative to a Cominform economic conference. By the time Vas returned Gero was advanced to the position of economic dictator. The squabble between Gero and Vas took place in November 1948. Revai is deepening the rift not to quash either Gero or Vas, but to molest Rakosi. Revai wants to broaden the Gero-Vas breach into one between Gero and Rakosi.

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Of the ministers, Reval can count on support from Foreign Minister Kallay, Minister of Interior Kadar, and Minister Gyorgy Marosai. Minister of Finance Kossa is a Vas supporter. Mihaly Farkas is very close to Rakosi and the rest of the Communist ministers all want to be well thought of by Rakosi.

In spite of the internal dissension, the status quo in the top party leadership is stable and no change is expected during the rest of the year.

Personal differences in the top command ~~is being felt in the top command~~ is being felt in the lower echelons of the party. One typical attitude toward the Rajk affair is: "either what they say about Rajk is not true, or at least not all true, and if it is true where were Rakosi's eyes all this time." Another common expression is "if it is true what Rajk wanted to do, it is a pity that he did not succeed." The most significant thing about these remarks is that those responsible for them were not reported.

To strengthen the lower echelons of the party organization weakened by the Rajk affair and the high tempo campaign which these functionaries were forced to carry out against the church, a new policy is being instituted to bring these functionaries back to the party and make their work easier. One sign of this new policy is the course of study which has been announced for district propaganda leaders. The course will be given in Budapest and at some of the county seats. The course will start on 3 October and will take from 3 to 6 days. Other courses will follow the preliminary course.

There are signs of increasing nervous anxiety among the bourgeois politicians, the former Smallholder Party and the Balogh Party politicians who have so far gone along with the Communists. These politicians including Jeno Katona, Ortutay, Ervic Gaspar, Rubietaky and Gyorgy Farragi all have personal ambitions as the reason for remaining at their jobs. All of them look to Istvan Balogh not as a de jure or de facto leader but ^{as} one ~~XXXXXXXX~~

who's opinions they value. They know that he has good connections with the Russians and that he works in harmony with Rakosi and they further suspect or rather hope that he is contact with the emigres, and more particularly with Ferenc Nagy. The anxiety of this group stems from two sources. Since the Rajk affair they feel that the Communist regime will not have use for them much longer. On the other hand, if there is a change of regime as a result of war they have nothing to look forward to either. Some concrete signs that these men have outlived their usefulness to the Communist Party are: putting these middle-class politicians into ministerial posts where they are too busy ~~XX~~ with their assigned work to devote ^{any} time to politics and keeping others of them from going to their representative districts in any official capacity. Another sign ^{comes} in the form of an apparently new policy toward the press. The Communist paper "Szabad Nep" and Resai have proposed to Istvan Balogh that he curtail the provincial circulation of his newspaper "Magyar Nemzet" in return for a percentage of "Szabad Nep" receipts based on the drop in "Magyar Nemzet" sales. The anxiety over a possible war and change in government can be seen from the closer and more frequent consultations ^{themselves} among members of this group, and efforts to strengthen their foreign contacts through ~~XX~~ Balogh. They feel that Ferenc Nagy is indebted to Balogh for helping Nagy to leave the country and for sending his son and his property after him.

The comparative quiet in church-state relationship in the past six months is partly due to the government's preoccupation with the Rajk affair and partly to negotiation of an agreement between the church and state. In mid-April, before the elections, the Bench of Bishops submitted a five-point proposal to settle differences. There was no positive reply to the proposal. There are fears of further arrests later this year or early next year.

There is information to the effect that the Hungarian Workers' Party will ^{of 10/1/50} take over the ~~open~~ leadership of the country on about 1 May 1950 and eliminate the sham People's Front. Only the Hungarian Workers' Party will be allowed to exist. Other party leaders will be given an opportunity to join the surviving party. The date for the change will be postponed only if the Soviet Ministry of Foreign Affairs thinks it necessary from a general foreign policy standpoint. Domestic affairs will not delay the change.

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16 September 1949

The past one and one-half months have been rich in domestic political events. The new constitution was made public and voted on during August. The second half of the month was ^{taken up} busy with preparations for the World Youth Congress and with other efforts to win over the youth of the country. During the first part of September the leadership of the world youth Communists worked out its "war plans" and in effect organized the Youth Cominform. General dismay and tension were caused by the abolition of compulsory religious education. The most important domestic event ~~was~~ was the beginning of the Rajk trial.

The constitution is nothing new, with the public having been prepared for it since the beginning of the year. There is some bitterness among the masses of the people for the elimination of the old Hungarian coat-of-arms and the substitution of the red Soviet star. It impresses them all the more with the fact that they will become a part of Soviet Union. The People's Front bourgeois politicians, Istvan Balogh, Jeno Katona, Erno Mihalyffy, and Istvan Ruzsnyak were rather surprised that the new constitution provided for inclusion of their numbers in the new Presidential Council of the Republic.

The World Youth Congress did a good job of winning over the youth of the country. Exceptionally good organization of the whole undertaking made it possible for approximately 50,000 youths in Budapest and the provinces to participate in the holiday of 10,000 visiting youths of 80 nationalities.

It should be noted that of the 50,000 Hungarian participants, approximately 35,000 were 10 years or less of age indicating that the administration is especially interested in the lower age groups. From 14 - 18 August the Congress was busy with sports and cultural events and with tours of the country. The more important event of the Congress was the conference of

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youth leaders from 65 countries from 2 - 8 September. Two important topics of the conference were steps to be taken to pattern the youth organizations of the People's Democracies more closely after the Soviet organizations and methods of increasing membership of the Communist youth organizations in the western countries. A series of unpublicized meetings, the first in Rumania, were planned to implement the first of the above objectives.

Abolition of compulsory religious education caused much uneasiness among the followers of the Catholic church. Parents were given only 10 days to register their children for religious education. This together with difficulties set up by conflicting schedules will reduce the number of students in religious education by about one-half. The constitutional provision providing for separation of church and state is interpreted as a measure for depriving the church of state financial support as the need arises. There are indications that Father Bertalan Badalik will continue the aggressive policy which he had originally advised Cardinal Mindszenty to follow.

Well informed communist circles learned late in August that a decision had been reached by Moscow on the Rajk affair. Rajk supporters were not strong enough in Moscow and the Rakosi clique won out in the duel by marshalling enough strong arguments to show the advantages of liquidating Rajk. The arguments stressed the prevention of the spread of nationalism, the encouragement given to Titoists in other countries by toleration of Rajk's activities, and the internal disruption which would follow a comeback by Rajk. The final indictment against Rajk is the joint product of Moscow and Budapest. The Communists themselves do not believe most of the indictment ^{to be} ~~as~~ ture, but some portions of the indictment are said to be true. It is true that Rajk had discussions with Rankovic; that he was interned in France with many of the Yugoslavs I mentioned in the indictment; that his connections

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with Yugoslavs have continued since that time; that as a result Rajk was oriented toward Yugoslavia; that there were contacts between Tito and Americans since the war against the Germans; that Rajk had conversation with Col Kovach, a member of the American mission in Budapest; NK and that Rajk had conversation with Chapin and others. What is not true is what is read into these relationships and conversations. Rajk's past was well known to Rakosi when Rajk was given his job in 1945. It is out of the question that Rajk would have been plotting against the regime as far back as 1945 and 1946. Indictments against the less important figures such as Gyorgy Palffy, Dr. Szonyi, Andras Szalay are similarly based on half-truths. Pal Justus is suspected of having been the agent provocateur in the case although at one time he did have contact with the French intelligence. The Rajk affair is sure to have important aftereffects on the Communist organization. The Rajk affair shows party members that two kinds of communism are possible, that which is oriented to the east and that toward the west. Those communists who are oriented to the west must feel that Rajk is but the first victim of the purge of the westerners.

Although there is information to the effect that Soviet troops have moved into Szeged, Pecs, and Bacs, that more troops have come to Budapest, and that other preparations are being made for war, Communist sources say that the Soviets do not want to declare war against Yugoslavia or start one. Other means will first be used to get Tito out of power. It is even hoped that Yugoslavia will be back in the Cominform camp by the end of the year.

Jossef Reval has come back into political life but his influence is much less than formerly. Before his return it was even thought that he would not have a ministerial post after his return.

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